

Message Text

LIMITED OFFICIAL USE

PAGE 01 ABU DH 00779 121015Z

42

ACTION NEA-09

INFO OCT-01 EUR-12 ISO-00 EB-07 CIAE-00 INR-07 NSAE-00

/036 W

----- 113349

R 120830Z APR 75

FM AMEMBASSY ABU DHABI

TO SECSTATE WASHDC 2831

INFO AMEMBASSY LONDON

USDOC WASHDC

LIMITED OFFICIAL USE ABU DHABI 0779

E.O. MPQYTW: N/A

TAGS: BTIO, TC

SUBJ: DUBAI PORT PROJECT

REF: ABU DHABI 532

1. OF THREE U.S. FIRMS EXPRESSING INTEREST IN PROJECT, TWO (SANTA FE AND KAISER) HAVE DROPPED PROJECT LEAVING OPEN FIELD FOR RAYMOND CONCRETE PILE CO.

2. PAPAYOTI, RAYMOND AND REP, HAD MEETING WITH SHAIKH RASHID (ACCOMPANIED BY FSL ZAKHOUR) ON MARCH 31 AND LATTER REVIEWED PROJECT DESIGN AND ENGINEERING WITH HALCROW. HALCROW OFFICIALS WERE OF OPINION THAT RASHID'S DECISION TO TURN TO U.S. FIRM FOR THIS PROJECT WAS A POLITICAL ONE SINCE QUOTE RASHID HAS ALWAYS BEEN HAPPY WITH WORK DONE BY COSTAIN UNQUOTE.

3. BELIEVE RAYMOND NOW HAS EXCELLENT CHANCE TO WIN CONTRACT. RASHID HAS GIVEN RAYMOND NAMES OF THREE POSSIBLE LOCAL AGENTS. LIKELY RAYMOND CHOICE WILL BE ABDULLAH SALEH, ASSISTANT MANAGER, NATIONAL BANK OF DUBAI. NOT ONLY WILL SALEH MAKE A LITTLE MONEY BUT NATIONAL BANK WILL PICK UP NICE PIECE OF CHANGE MEETING RAYMOND'S FINANCIAL NEEDS, OPENING PERFORMANCE BONDS, ETC.

4. OUR ONLY CONCERN IS THAT RAYMOND MAY DROP THE BALL. AS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ABU DH 00779 121015Z

PAPAYOTI TOLD LOCAL COMMERCIAL ASSISTANT, RAYMOND CAN AFFORD

TO BE CHOOSY IN PICKING ITS WORK AND WILL ACCEPT DUBAI PROJECT ONLY IF RETURN IS HIGH ENOUGH. WHILE EMBASSY DOES NOT RECOMMEND RAYMOND CUT ITS MARGINS JUST TO ENTER DUBAI MARKET, RAYMOND HOPEFULLY WILL NOT ESCALATE ESTIMATES SO HIGH THAT RASHID BEGINS TO HAVE SECOND THOUGHTS ABOUT HIS DECISION -- AND ABOUT U.S. FIRMS IN GENERAL. RAYMOND CANNOT FORGET THAT ITS BID WILL STILL BE EVALUATED BY HALCROW AND OTHER ADVISORS INIMICAL TO U.S. COMMERCIAL INTERESTS.

5. COMMENT: POSSIBILITY THAT U.S. FIRM COULD EVEN BE SERIOUSLY CONSIDERED FOR A PROJECT OF THIS MAGNITUDE IS DIRECT RESULT OF EMBASSY CULTIVATION OF DUBAI'S COMMERCIAL COMMUNITY AND AMBASSADOR'S RELATIONSHIP WITH RASHID. IF RAYMOND DOES INDEED SUCCESSFULLY NEIMTIATE CONTRACT, U.S. WILL HAVE COMMERCIAL FOOT IN DUBAI'S DOOR WHICH WILL REQUIRE EXTENSIVE FOLLOW UP BY USG. ON OTHER HAND IF RASHID IS CONVINCED THAT RAYMOND IS TRYING TO TAKE ADVANTAGE OF THIS OPENING, HIS REACTION LIKELY AFFECT NOT ONLY RAYMOND BUT OTHER PROSPECTIVE U.S. BUSINESS INTERESTS AS WELL.

6. ACTION REQUESTED: IF CONSIDERED APPROPRIATE, REQUEST USDOC AND/OR NEA/ARP CONTACT HIGH-LEVEL OFFICIALS OF RAYMOND INTERNATIONAL AND CAUTION THEM RE CONCERNS NOTED ABOVE. APPROACH MIGHT BE IN FORM OF EXPRESSING APPRECIATION OF RAYMOND RESPPNSE TO THIS OPPORTUNITY, BUT AT SAME OUR CONCERN -- BOTH IN TERMS RAYMOND'S OWN INTERESTS AS WELL AS BOARDER U.S. COMMERCIAL FUTURE IN DUBAI -- THAT ANY SUBMISSION FIRM MAKES BE ABLE TO STAND UP TO CRITICAL, EVEN INIMICAL SCRUTINY.
STERNER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ABUDH00779
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750128-0735
From: ABU DHABI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750456/aaaabzki.tel
Line Count: 91
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 ABU DHABI 532
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 20 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 MAY 2003 by BoyleJA>; APPROVED <21 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DUBAI PORT PROJECT
TAGS: BTIO, TC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006